ARIZONA GAME AND FISH DEPARTMENT HABITAT PARTNERSHIP PROGRAM HABITAT ENHANCEMENT AND WILDLIFE MANAGEMENT PROPOSAL

PROJECT INFORMATION

Project Title: Horseshoe Ranch Acquisition Project No. 09-611

Project Type: Land acquisition with federal grazing leases

Project Description:

The Arizona Game and Fish Department (Department) is proposing to purchase the Horseshoe Ranch (Ranch) and associated allotments to contribute to the recovery of species listed under the Endangered Species Act and to benefit grassland species that occur within the allotments, including pronghorn. The Ranch is located within the Agua Fria National Monument. The Department is currently working with The Trust for Public Land (TPL) to acquire the ranch. Recently TPL acquired a purchase option on the Ranch with the intent to buy the Ranch and sell it to a conservation agency within the next year. The Bureau of Land Management has also indicated a high degree of interest in a partnership if they are able to secure funding.

The Ranch consists of 198.6 deeded acres and Copper Creek allotment on the Tonto National Forest (TNF) with approximately 35,899 acres and the Horseshoe allotment on Bureau of Land Management (BLM) land with approximately 32,388 acres. The Agua Fria River runs through the deeded property. The Department will work with the landowners on acquisition of the deeded property and the TNF and BLM with the coordination of the allotment. The Department can maintain eligibility for the BLM Horseshoe allotment grazing lease through a base property sublease of a portion of the deeded property to a qualified livestock operator. The Department is permitted to hold the TNF permit for the Copper Creek allotment through an MOU, or could bring a livestock operator in as a partner in ownership of the deeded property.

Both allotments encompass the highest quality grassland habitat available for the GMU 21 pronghorn herd. Pronghorn distribution and habitat selection have consistently favored this area as core habitat and preferred fawning grounds. Increasing the Department's management influence over both allotments, by maintaining eligibility for the livestock grazing permits/leases, will facilitate the implementation of conservation measures to benefit all grassland and sensitive species, including pronghorn.

Wildlife Species to Benefit: Pronghorn; mule deer, javelina, Gambel's quail, grassland obligate species; riparian obligate species including native fish, reptiles and amphibians. All of these species will benefit from a wildlife habitat conservation based approach to livestock management; or reduction in the intensity and duration or timing of livestock grazing on the grassland & riparian habitats of the two associated allotments. Management on the deeded property will primarily benefit riparian dependant species, and possibly upland game birds as a result of proposed riparian restoration activities, propagation of native grasses or other seed crops on irrigated land, pond management and vehicular traffic management on the deeded land.

Possible Funding Partners:

TPL has indicated they will pursue developing funding partnerships with Foundations that they work with. The BLM has indicated a strong degree of interest in partnering with AGFD on the acquisition; however they have no funding appropriated currently. They will be pursuing FY10 funding opportunities. The Department is pursuing various grant opportunities to help fund the acquisition. A 2009 application was submitted to National Fish and Wildlife Foundation- "Bring Back the Natives" grant and the Department received word the grant was received favorably, however the final funding notification has not been received yet. The Department is resubmitting a Section 6 grant request to USFWS Recovery Land Acquisition Program for

funding in FY2010. The 2009 grant submission scored very high, however the funding request was too high. The Department is hoping the grant will be funded in FY2010 and has requested a smaller cost share for the acquisition.

The Department has conducted preliminary meetings with private livestock operations who have expressed interest in an opportunity to invest in a partnership with the Department in exchange for the opportunity to run livestock on the associated grazing leases. The Department believes there are 2 potential candidates at this time and continues to explore potential partnership solutions.

Implementation Schedule: Beginning: Winter Spring 08/09 **Completed:** Ongoing FY09/10

NEPA Compliance: (if applicable)
Completed: Yes ____ No ___

Projected Completion Date: Not applicable

PROJECT FUNDING

SBG Funds Requested: \$ 710,000.00 or a portion thereof; \$710,000 is the total value of estimated BLM grazing lease (\$420,000) and the estimated TNF grazing permit (\$290,000).

Cost Share Funds: There is no current appraisal; a 2007 appraisal valued the Ranch at \$ 4,290,000.00 of which \$710,000 is the estimated value of the grazing leases (see ABG Funds Requested above). TPL has agreed to undertake the due diligence including the appraisal, environmental site assessment, boundary survey and title report and associated costs. The Department received preliminary notice June of 2009 that a grant application to National Fish and Wildlife Foundation - "Bring Back the Natives" was recommended for funding pending a budget. The amount requested was \$200,000.00. \$135,000.000 of SBG Funds was awarded from the FY08 grant cycle from the Antelope Tag Fund. The Department has resubmitted a funding request for \$1,000,000.00 to USFWS Recovery Land Acquisition Program for funding in FY2010; award notifications are expected in October 2009.

Total Project Costs: Estimate based on 2007 appraisal: \$4,250,000.00 estimated of which approximately \$1.2 million needs to be non-Heritage fund sources to cover the value of grazing leases/permit (estimated at \$710,000) and building improvements valued at ~\$550,00.00. A new appraisal is pending.

PARTICIPANT INFORMATION

Applicant: Dana Warnecke, AGFD (please print) Telephone: 480-324-3547	Address: AGFD Region VI 7200 E. University Ave. Mesa, AZ 85207	
AGFD Contact and Phone No. (If applicant is not AGFD personnel) Same as above		
Coordinated with: Arizona Antelope Foundation & Ron Thompson		Date:
Applicant's signature:		Date:

SEND COMPLETED APPLICATIONS TO: Arizona Game and Fish Department - Game Branch 2221 W. Greenway Rd., Phoenix, AZ 85023

WAS PROJECT PRESENTED TO THE LOCAL HPC? YES NO X

This project was originally developed out of cycle to the HPC 2009 timelines and therefore not presented at a local HPC. FY 2009 application was submitted directly to HPC Program staff.

HAS PROJECT BEEN SUBMITTED IN PREVIOUS YEARS? IF SO WAS IT FUNDED?

Yes. It was funded for \$135,000.00 FY08 cycle

NEED STATEMENT/PROBLEM ANALYSIS:

The Arizona Game and Fish Department (Department) is currently pursuing an opportunity to acquire Horseshoe Ranch (Ranch), 198 acres of deeded land with authorized use for livestock grazing on two federal allotments. The Department views the acquisition as an opportunity to more effectively manage habitat for threatened and endangered species, pronghorn and other grassland species, riparian habitat values for migratory and resident birds, and aquatic habitats for native fish, amphibians and reptiles. The property is located within the Agua Fria National Monument, and offers an opportunity to develop numerous collaborations towards education, outreach, research, and habitat management at a landscape scale. This acquisition is a high profile opportunity for the Department to create a diverse group of working partners for the benefit of many different resource values including wildlife, central Arizona grassland habitat, riparian habitat, archaeological resources, water resources and recreational resources.

The Ranch was purchased by Red Mountain Properties LLC in 2002-03 for the sole purpose of transferring ownership to the public for conservation purposes through a land exchange with BLM. The land exchange is no longer a viable option and the owner needs to sell the ranch immediately due to financial constraints. The Department is now negotiating with the landowners who have provided a letter indicating their willingness to sell. The Department is currently developing a funding package that is acceptable to all parties and meets time constraints. Once acceptable funding mechanisms are identified, the Department will move forward with the remaining due diligence including appraisal review, boundary survey, title work and Phase I environmental site assessment. When all due diligence and analyses are completed, the Arizona Game and Fish Commission will need to approve acquisition of the property. The acquired land will remain in the Department's name and will be managed in perpetuity for conservation of wildlife habitat.

Historically the Ranch and associated grazing allotments have been managed as a working ranch with an emphasis on livestock production. Grassland and riparian habitat qualities have been negatively impacted in places by past grazing practices. Habitat management practices that include livestock deferment during drought, deferment before/after prescribed fire, or exclusion from riparian habitats were often ignored or negated by a management emphasis of maximizing livestock production. Range improvements designed to manage livestock have created movement and access barriers for wildlife such as pronghorn to important grassland habitat and water resources. Past livestock operators have at times not complied with the terms of existing allotment management plans and Biological Opinions for some stream reaches. Their actions have degraded grassland and stream habitat quality for fish and wildlife. Grazing management that protects and improves upland vegetation cover and stream habitat quality are a feasible management option. Through acquisition of the Ranch and associated federal grazing leases, the Department can develop and implement conservation measures in collaboration with the Tonto National Forest (TNF) and Bureau of Land Management (BLM) that will greatly improve the quality of wildlife habitat in the immediate future and in perpetuity for approximately 68,237 acres of federal lands and 198 acres of deeded land. The BLM and TNF would support greater conservation measures.

Through acquisition of the deeded property and allotments, the Department will be able to manage for the threatened and endangered species currently and historically found on the property (deeded and allotments), in addition to

grassland species, including pronghorn. This acquisition would support Department conservation goals identified in *Arizona's Comprehensive Wildlife Strategy*, and include benefits to species of conservation priority and address stressors to a vulnerable and fairly rare habitat type, the semidesert grassland, in Arizona. Simply acquiring the deeded Horseshoe Ranch property will provide *some* benefit to Gila chub, Gila topminnow, Desert pupfish and Western yellow-billed cuckoo. In addition the acquisition would protect the ranch from future development interests within central Arizona. Immediate changes to grazing management would also facilitate a short-term improvement in grassland habitat quality for pronghorn and other grassland species. The ranch appraised value is in part based on the grazing allotments, and that portion of the acquisition cost is not eligible for Heritage funds, the primary funding source. The Department must identify alternative funding strategies to compliment Heritage funds or the acquisition may not possible.

PROJECT OBJECTIVES:

The following objectives are proposed and would be considered during development of a future management plan through a collaborative process:

- 1. Improve and protect habitat quality (structure, diversity, forage quality and quantity, cover, water availability) for grassland species including pronghorn, migratory songbirds, raptors, upland game birds, mule deer and other more common species.
- 2. Protect and/or improve pronghorn fawn survival in GMU21.
- 3. Protect and improve riparian and spring habitats on the Horseshoe and Copper Creek allotments; including but not limited to Copper Creek, Bishop Creek, and Squaw Creek.
- 4. Prevent development and fragmentation of central Arizona grassland habitat.
- 5. Improve the habitat and hydrology of the Agua Fria River ecosystem for the Yellow-billed cuckoo, migratory songbirds within the Agua Fria Important Bird Area, native fish that occur or historically occurred in the river, and other common wildlife.
- 6. Increase the distribution and abundance of native fish, amphibians and reptiles associated with riparian ecosystems within but not limited to: Silver Creek, Agua Fria River, Bishop Creek, Larry and Lousy Canyons, Copper Creek and possibly Squaw Creek.
- 7. Protect and improve Critical Habitat for Gila Chub within Silver Creek.
- 8. Promote outdoor skills, wildlife information/education, and hunter recruitment and retention through education & outreach.
- 9. Promote ecological, archaeological, scenic and scientific resources and values of the AFNM through collaborative partnerships focused on resource protection, scientific and educational pursuits and land management objectives for the ranch and the associated grazing allotments.

PROJECT STRATEGIES:

The following strategies are proposed and would be considered during development of a future management plan through a collaborative process:

- 1. Acquire Horseshoe Ranch to remove the property from possible development and to prevent habitat fragmentation.
- 2. Manage core habitat used by pronghorn for fawning as well as year-round range within the New Mill and Perry Mesa pastures for optimum pronghorn habitat quality with an emphasis on maintaining fawn hiding cover at or above species management guidelines, maintenance of water, reduction of movement barriers from fencing and grassland management to emphasize native plant diversity and abundance of native perennial forbs.

- 3. Manage all allotment range improvements (fences and developed waters) with designs that improve access and permeability for wildlife. Remove defunct improvements and reduce fencing where feasible. Reconfigure or remove all fences identified as unsuitable for wildlife passage in the 2003-05 GMU21 fence inventory project.
- 4. Protect and improve grassland habitat quality with passive and active management methods such as: use of natural and prescribed fire, treatment of invasive plants, reduction of shrub/tree/cacti, native plant propagation, and livestock rotation/deferment/stocking density.
- 5. Restore degraded riparian habitat along the Agua Fria River corridor on the deeded property through passive and active management methods such as: treatment of invasive species, native plant propagation, constructed channel improvements and protection from livestock grazing and vehicular traffic. Work with BLM to expand efforts onto adjacent federal lands.
- 6. Exclude livestock grazing from the Agua Fria River corridor- Pastures affected include Horseshoe allotment (North & South pastures and headquarters).
- 7. Exclude livestock grazing from Silver Creek Pastures affected include Horseshoe allotment (Silver Creek & Boone Tank pastures) and Copper Creek allotment (Bobcat).
- 8. Implement controlled seasonal use or exclusion of livestock grazing from Copper Creek, Bishop Creek and Squaw Creek and or other riparian or spring habitats.
- 9. Hold onsite outdoor education and information events (summer youth camp, big & small game camps, outreach day events, archery range) promote outdoor skills, wildlife information/education, and hunter retention and recruitment.
- 10. Develop "Watchable Wildlife" information for the surrounding area.
- 11. Develop refugia populations of Gila topminnow, desert pupfish, Gila chub, Mexican gartersnake and lowland leopard frogs in the ranch pond to be used as source stock for emergency recovery actions or reintroduction efforts within the Agua Fria watershed or other suitable sites.
- 12. Collaborate with external interests including but not limited to: AZ Antelope Foundation, Sonoran Audubon, Arizona Audubon, Friends of the Agua Fria National Monument, ASU Legacies Project researchers, BLM, PNF, TNF and Desert Botanical Garden.
- 13. Develop best management practices in collaboration with BLM and TNF for livestock grazing on central Arizona grasslands through experimental design or adaptive management practices that include implementation and effectiveness monitoring.
- 14. Develop native grass propagation techniques on deeded irrigated pasture land and provide native seed sources for restoration activities on adjacent public lands (partner with Desert Botanical Garden on current work on Black Mesa) or farm seed crops for upland game birds (dove and quail).
- 15. Develop livestock management strategies that address archaeological resource conservation goals with BLM for key heritage sites.

PROJECT LOCATION: Within the Agua Fria National Monument boundary in Yavapai County north of Phoenix and east of Prescott/Cordes Junction. Directions to the Ranch: Take I-17 north from Phoenix to the Bloody Basin exit and head east on the Bloody Basin road (FR 269) to the ranch entrance. Ranch entrance is just before crossing the Agua Fria River approximately 5 miles from I-17 on the Bloody Basin Road.

For general location see "Overview and Ownership Map". For property details see "Property Detail Map". For allotment locations see "Allotment Detail Map".

LAND OWNERSHIP AT PROJECT SITE (Please state specifically if PRIVATE PROPERTY and provide landowner's name): The deeded property is currently owned by Red Mountain Properties LLC and Trust for Public Lands (TPL). Post acquisition the title would be held by the Arizona Game and Fish Commission as the majority owner with a potential for other private party or nonprofit 501-3C partners as a minority owner.

IF PRIVATE PROPERTY, IS THERE A STEWARDSHIP AGREEMENT BETWEEN THE LANDOWNER AND THE DEPARTMENT?

Not applicable.

HABITAT DESCRIPTION:

The elevation at the ranch ranges between 3500 and 3,200 feet. Habitat types on the subject property and across the associated allotments transition from Arizona Uplands Sonoran Desertscrub to Great Basin Conifer Woodlands (Brown 1994). The habitat is characterized primarily as semi-desert grassland across broad expanses of mesas and rolling hills. These grasslands are bisected by steep canyons that have Sonoran Desertscrub, Great Basin Conifer Woodland and Interior Chaparral species. Canyons with intermittent or perennial water have native Interior Riparian Deciduous Forests and Woodlands. More xeric canyons in the lower elevations are characterized by Sonoran Riparian Scrubland. Tree species associated with the native riparian woodlands include: cottonwoods, willows, Arizona Sycamore, Desert and Netleaf Hackberry, Velvet Ash, Arizona Walnut, Desert-willow and mesquite species. Tobosa grass dominates the mesas in heavy clay soils with many other grasses including the Gramas occurring on gravelly upland sites.

The Horseshoe Ranch consists of 198.6 deeded acres and Copper Creek allotment on the Tonto National Forest (TNF) with approximately 35,899 acres and the Horseshoe allotment on Bureau of Land Management (BLM) land with approximately 32,388 acres. The Agua Fria River runs through the deeded property. The subject property includes land that has been subject to plow and agricultural purpose, including pasture for livestock.

ITEMIZED USE OF FUNDS:

All SBG funds would be used to fund the acquisition. No portion would be held back for Operation & Maintenance or other ranch improvement activities.

LIST COOPERATORS AND DESCRIBE POTENTIAL PARTICIPATION:

The full compliment of cooperators has not been developed at this time. To date there is a strong commitment by the following stakeholders to develop funding, provide funding or/and or participate in the development and implementation of a management plan:

- Bureau of Land Management
- Tonto National Forest
- Prescott National Forest
- Arizona Antelope Foundation
- Friends of the Agua Fria Monument
- Arizona Audubon
- Sonoran Audubon
- Arizona State University

PROJECT MONITORING PLAN:

Horseshoe Ranch would be managed under an AGFD management plan developed for that property. Allotment management activities would be identified in several documents associated with the acquisition including: Cooperative Agreements, Memorandums of Understanding, and Purchase Agreements. Allotment management would be further defined through NEPA documents with the TNF and BLM. Long-term monitoring will be a key component to allotment management and developing best management practices that fulfill the goals, objectives and strategies identified for the property and associated allotments. Monitoring will be established for relevant habitat and species related variables.

PROJECT MAINTENANCE:

If acquired, the Department would be the principal steward with a budget for the operation and maintenance of the property. Partnerships to defray costs would be considered and developed over time. There is potential for a financial partnership with an unidentified livestock operator for a minor portion of the facilities associated with livestock pasturing and transport. That partner would also be responsible for maintaining range improvements associated with the permitted grazing allotment(s).

PROJECT COMPLETION REPORT TO BE FILED BY:

Region VI Habitat and Wildlife Programs and/or Lands Program

WATER DEVELOPMENT PROJECTS (see attached worksheet):

N/A

TREE SHEARING (AGRA-AXE, PUSH) PROJECTS (see attached worksheet):

N/A